
From: Steven Sinofsky <████████>
Sent: Monday, September 15, 2014 4:29 PM
To: Jeffrey Epstein
Subject: JPM

Do I need to worry about people exercising covered calls early?

THis is what JPM said. I'm not asking them to confirm your advice just help=me to execute.

>>> JPM dude says

I do agree that the covered call strategy is a disciplined way to divest you= position over time (assuming the stock remains through the call strike) wh=le making the "cost to manage" net positive. We do apologi=e for the misunderstanding as our primary goal in the below analysis was to=hedge your existing position.

Let me check with our desk to get pricing on calls (OTC) and also provide yo= with listed pricing as well so you can compare. The listed options will l=kely be cheaper (a clear positive) but can be exercised early by the holder=which means your taxable event could be pulled forward. We'll need=to weigh our aversion to this against whatever price discrepancy exists.

That said, I like using listed options for covered call strategies especiall= if you don't mind building the position over a few days. Listed o=tions provide flexibility (easy to close-out if necessary) as well as full p=ice transparency.=?xml

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